

# **GOLDEN VISTA RV RESORT**

## **CONSTRUCTION POLICY**

The Board of Directors, at a duly noticed and held meeting on February 7, 2012, adopted this Construction Policy to guide construction projects in Golden Vista that are undertaken by the Golden Vista R.V. Resort Association Board of Directors to be accomplished specifically pursuant to this Construction Policy.

It is the goal of this policy that the Board of Directors will choose to designate all appropriate construction projects in Golden Vista to be accomplished using the procedures that are described herein. This includes appropriate new construction, renovations of existing facilities, street maintenance and repair, major overhaul of streets, repair or modifications of Golden Vista's property capital assets and upgrades or changes to Golden Vista R.V. Resort Association's buildings and rooms.

These procedures provide guidance on all aspects of a particular construction project including communication, control of project costs, schedules, scope, quality of performance, quality of work, the bid process and safety. These procedures provide a critical path for the success of the project.

The Construction policy procedures outline the desire for a project manager on appropriate projects. The project manager, if designated by the Board of Directors, has the authority and responsibility created by the Board of Directors on a particular project. If no specific authorization is provided on a specific project, the project manager has authority to oversee the entire project from Board approval of the project throughout the timeline of the project. The project manager can be removed from his or her role as "project manager" at any time in the sole and absolute discretion of the Board of Directors. The project manager, if already selected, and the project committee procedure are intended to assure a fair bid process that will select the best bid and contractor for the job, not necessarily the lowest bid. The intent is that the project committee will explain to the satisfaction of the board of directors their choice and the board can choose to fund the project or not.

The attached procedure, the "GV PROCEDURE AND CONSTRUCTION PROJECT REQUIREMENTS" is a process, when followed, which has as its goal the elimination of faulty designs, faulty planning, missed project timelines, overrun in costs and ill-conceived construction assumptions.

This policy will go into effect when the construction project contemplated by the Board of Directors is designated to be pursued and accomplished pursuant to the Construction Policy. Any deviation from this Construction Policy requires approval by the Board of Directors whether it is a deviation proposed by the project committee or a contractor or vendor. The Board of Directors reserves the right to modify the Construction Policy at any time including in the middle of a project or to suspend the Construction Policy in its entirety with respect to a particular project.

### **Project Manager Duties and Responsibilities:**

The project manager designated by the Board of Directors has the following authority and responsibility. The project manager will direct the contractor to insure, the critical path schedule is met, drawings and specifications are met and answer questions in a timely manner, and keep all parties, including the manager, informed on progress and any changes that are necessary.

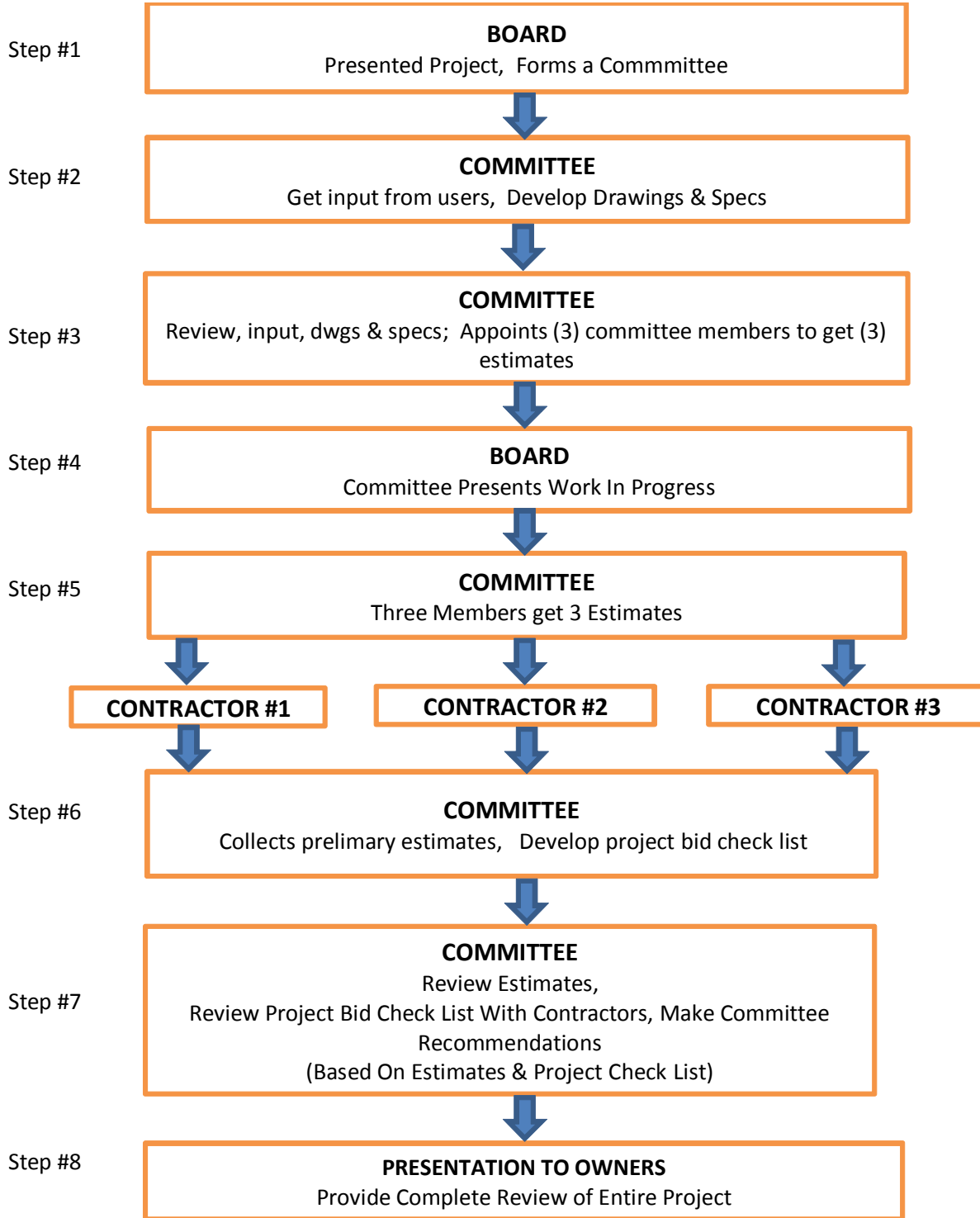
## G.V. PROCEDURE AND CONSTRUCTION PROJECT REQUIREMENTS

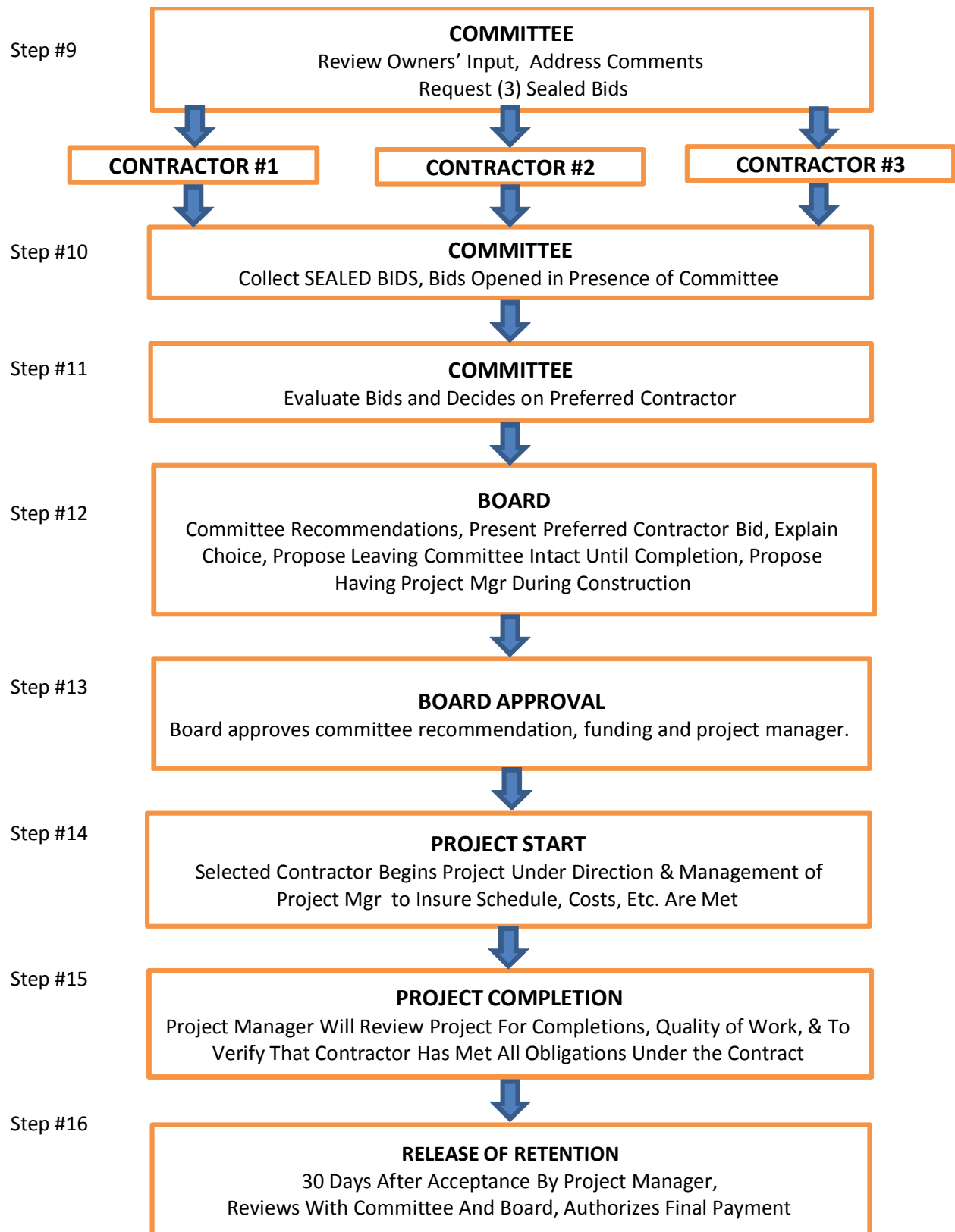
Step #	Requirement and/or Step	Comment
	<u>Requirement:</u> <b>FOLLOW THE PROJECT FLOW CHART.</b>	
1	<b>BOARD</b> , Present Project; Board Defines Scope and Forms a Committee, Develops Timeline for Final Recommendation.	Committee may already exist such as Streets Committee
2	<b>COMMITTEE</b> , Get Input From Users, Develop Drawings & Specifications.	
3	<b>COMMITTEE</b> , Review Input From Users, Drawings, Spec's, and Appoint three Committee members to get preliminary estimates.	
4	<b>COMMITTEE</b> presents to <b>BOARD</b> : Work In Progress, Gets Feedback On Project Meeting Goals.	This step may not be needed on some projects.
5	<b>COMMITTEE</b> , Three committee members get a minimum of three Preliminary estimates.	If under \$10,000, then 2 estimates are adequate
	<u>Requirement:</u> <b>PRELIMINARY ESTIMATES</b> , must be itemized (example drywall, electrical, etc.), and, require contractor to submit a critical path schedule with the estimate.	
6	<b>COMMITTEE</b> , collect estimates, and reviews a project bid check list with each contractor. (to insure a complete and identical list for the bid from each contractor)	
7	<b>COMMITTEE REVIEWS THE FOLLOWING:</b>	
	a. Project bid check list from each contractor	
	b. Contractor must be Arizona licensed (no 2nd party license ).	
	c. Check license status: current, expired or revoked	
	d. Check license classification: must match project	
	e. Get references and check out quality of work	
	f. Can the contractor supply a performance & payment bond?	
	g. GV will require the contractor to provide a certificate of insurance naming GV additionally insured, and is to remain in effect 45 days after completion and acceptance.	
	h. Contractor is required to sign a GV construction contract	
	i. The payment schedule shall be:	
	30% upon signing contract, and mobilizing to start project.	
	30% upon delivery of the majority of materials.	
	20% upon substantial completion of project.	
	10% upon completion of project.	
	(these percentages may be negotiated for different contractors)	

Step #	Requirement and/or Step	Comment
	j. GV will hold the last payment (10%) as retention, this retention shall be paid 30 days after completion and acceptance by GV.	
	Committee will make their recommendations to the board based on the above information.	
8	<b>PRESENTATION TO OWNERS</b> , provide complete review of entire project.	This step may not be needed on some projects.
9	<b>COMMITTEE</b> , Reviews owners last input and address minor items that can be included if feasible (color, trim, hooks, switches, etc.). <b>Request 3</b> sealed bids.	If under \$10,000, then 2 bids are adequate
	<u>Requirement:</u> <b>SEALED BIDS</b> , Project bid check lists now match for each bidder, must be itemized (example drywall, electrical, etc.), and, require contractor to submit a critical path schedule with the bid.	
10	<b>COMMITTEE</b> , The three committee members collect sealed bids, bids opened in the presence of all committee members, bids examined and comparisons made.	
11	<b>COMMITTEE</b> , Goes over bids in details and decides which contractor is the best for quality, price, critical path, etc. and determine if one also had a better presentation with confidence and should earn the contract.	
12	<b>BOARD</b> , Committee reviews bids, makes recommendations, including contractor of choice, propose leaving committee intact until project is complete, and propose having a construction project manager selected or hired and present during construction and propose board approval.	
13	<b>BOARD APPROVAL</b> , Board approves committee recommendation, funding and project manager. After the Board has approved the project, the board president or the resort manager will sign the contract.	
14	<b>PROJECT START</b> , Selected contractor begins project under the direction and management of the project manager to insure the schedule, quality, specifications, costs and safety are met. The resort manager will arrange for contract payments when approved and signed off by the project manager as called for in the contract.	
15	<b>PROJECT COMPLETION</b> , Project manager will review the project for completions, quality of work, and to verify that the contractor has met all of his obligations under this contract.	
16	<b>RELEASE OF RETENTION</b> , 30 days after acceptance by project manager who may review with committee and board if available, then authorize final payment.	

***G.V. PROCEDURE & CONSTRUCTION PROJECT REQUIREMENTS***

**PROJECT FLOW CHART**





## TO WHOM IT MAY CONCERN

The Board of Directors of Golden Vista RV Resort has adopted a guide for construction projects known as the Construction Policy and Procedure. The procedure is very specific as to the duties, responsibilities and authorities described therein for the construction project from the beginning to the finish. The construction contract approved by the board is signed by either the President of the Board or the resort manager.

The project manager approved by the Board for each project has the duty, responsibility and authority to direct the contractor throughout the construction project. The project manager is solely the communication link between the contractor and all other interested parties to the construction project. Interested parties include the Board of Directors and the manager. The contractor works under the direction of the project manager. Only the project manager provides input and changes to the schedule, specifications, costs, or change orders and keeps the Board of Directors and resort manager informed.

Safety is a dual responsibility between the project manager and the resort manager. If a violation of safety occurs on the Golden Vista RV Resort property, either the project manager or the resort manager can immediately halt the project until the violation is remedied. The project manager and the resort manager must agree on the appropriate remedy.

The project manager is solely responsible for the payment approvals and signs off on each phase of the project and then instructs the resort manager to arrange for contractor payment as called for in the contract. Release of retention payment is made by the project manager after the project manager's review and acceptance of the entire project including a review to the board and the resort manager (meeting, phone, email). The resort manager will then arrange for the final payment to the contractor.

The resort manager is expected to be attentive to the progress of the construction project as an ongoing process. Any questions or concerns that he may have are directed to the project manager for review. If anyone has concerns that the project manager is not carrying out his duties and responsibilities in an appropriate way, they are obligated to report this to any member of the board.

March 20, 2012